



**Commonwealth of Massachusetts**  
**Executive Office of Health and Human Services**  
**Division of Medical Assistance**  
600 Washington Street  
Boston, MA 02111  
[www.mass.gov/dma](http://www.mass.gov/dma)

Eligibility Operations Memo 03-04  
February 1, 2003

TO: MassHealth Eligibility Operations Staff

FROM: Russ Kulp, Assistant Commissioner, Member Services

A handwritten signature in black ink, appearing to read "Russell C. Kulp".

RE: **Changes to MassHealth CommonHealth, MassHealth Family Assistance, and MassHealth Premium Assistance Premiums**

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**Introduction**

Effective March 1, 2003, the monthly premiums for MassHealth CommonHealth, MassHealth Family Assistance, and MassHealth Premium Assistance are changing.

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**Member  
Advance Notices**

Beginning on February 7, 2003, all members who receive MassHealth CommonHealth and MassHealth Family Assistance will receive an advance notice telling them of the premium changes. There are four separate notices. These notices will be sent by MA21, and can be displayed on the MA21 Query noticing option (PF6). Copies of the four advance notices are attached to this memo. They will be identified as follows:

- **CH-Adv** – sent to category 50 through 55 CommonHealth members;
- **PA-Adv** – sent to category 65, 72 through 75, 77, 78, 96, and 97 Premium Assistance members;
- **FA-Adv** – sent to category AB, AC, 79, 90 through 93, and 98 Family Assistance Direct Coverage members; and
- **FA-H-Adv** – sent to category 58, 59, and 82 through 87 HIV Family Assistance members.

If there are multiple coverage types in a family group, there will be separate notices sent to each member depending on his or her coverage type.

In mid-February 2003, these members will receive individual MA21 notices telling them of any change in their premium amount or member share. Beginning with their March 2003 bill, these members will be required to pay the new premium based on their income.

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**New  
CommonHealth  
Premium Formulas**

The following table shows the full premium formula that the Division will use to calculate the new monthly CommonHealth premium. Members for whom MassHealth is their only form of health insurance, or for whom MassHealth pays for their health insurance, will be charged the full premium.

<b>FULL PREMIUM FORMULA</b>		
<b>Base Premium</b>	<b>Additional Premium Cost</b>	<b>Range of Premium Cost</b>
Above 150% FPL — start at \$15	Add \$5 for each additional 10% FPL until 200% FPL	\$15 — \$35
Above 200% FPL — start at \$40	Add \$8 for each additional 10% FPL until 400% FPL	\$40 — \$192
Above 400% FPL — start at \$202	Add \$10 for each additional 10% FPL until 600% FPL	\$202 — \$392
Above 600% FPL — start at \$404	Add \$12 for each additional 10% FPL until 800% FPL	\$404 — \$632
Above 800% FPL — start at \$646	Add \$14 for each additional 10% FPL until 1000%	\$646 — \$912
Above 1000% FPL — start at \$928	Add \$16 for each additional 10% FPL	\$928 + greater

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**New  
CommonHealth  
Premium Formulas  
(cont.)**

The following table shows the supplemental premium formula that the Division will use to calculate the new monthly CommonHealth premium. Members who have other health insurance that is not paid for by MassHealth will be charged a supplemental premium.

<b>SUPPLEMENTAL PREMIUM FORMULA</b>	
<b>% of Federal Poverty Level (FPL)</b>	<b>Premium Cost</b>
Above 150% to 200%	60% of full premium
Above 200% to 400%	65% of full premium
Above 400% to 600%	70% of full premium
Above 600% to 800%	75% of full premium
Above 800% to 1000%	80% of full premium
Above 1000%	85% of full premium

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**CommonHealth  
Changes**

CommonHealth members for whom the Division pays for all or a portion of their health insurance, including Medicare, will be required to pay the full CommonHealth premium. CommonHealth members who are HIV positive will now be required to pay a premium for their CommonHealth coverage.

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**Family Assistance  
Changes**

For Family Assistance members with income above 150% to 200% FPL, the monthly premium will increase from \$10 per child to \$12 per child, with a maximum of \$36 per family. The following Family Assistance members will now be responsible for paying a monthly premium.

- Certain members who were previously enrolled in the Children's Medical Security Plan (CMSP).
- Members who receive 60-day presumptive or limited-time eligibility.

HIV-positive Family Assistance members will now pay a premium under the CommonHealth premium formulas.

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**Premium Assistance  
Changes**

For MassHealth Premium Assistance members, the amount they pay towards their employer-sponsored health insurance will increase:

- from \$10 per child to \$12 per child with a maximum of \$36 per family; and
- from \$25 per adult to \$27 per adult if he or she has no children.

HIV premium assistance members will be required to pay a member share toward their private health insurance that is equal to the amount of the full CommonHealth premium formula.

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**Questions**

If you have any questions about this memo, have your MassHealth Enrollment Center designee contact the MassHealth Policy Hotline at 617-210-5331.

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**This is an important message about your MassHealth benefits.**

MassHealth is increasing premiums for the MassHealth CommonHealth program. The premiums for this program have not gone up in many years. Because of the budget problems facing the state right now, the premiums must be increased at this time. Premiums will begin to be charged when a family's monthly income is above 150% of the federal poverty level.

All members will be charged a **full** premium, unless they have private health insurance or Medicare that MassHealth does not help pay for. This means if MassHealth helps to pay for all or a part of your private health insurance, including Medicare, then you must pay the full premium. If MassHealth does not help pay for your private health insurance or Medicare, then you will be charged a **supplemental** premium.

Your new premium amount will be based on your family's monthly income, before taxes and deductions, and your family's size as it compares to the federal poverty level. See the new MassHealth CommonHealth premium charts at the end of this notice.

If you have to pay a premium, you will get a notice in mid February 2003, that tells you what your new monthly premium will be. Your new monthly premium amount will start with your March coverage.

If you do not pay all of your premium within 60 days of the date on your bill, your MassHealth benefits will stop. You may ask for a payment plan by calling the telephone number on your premium bill. If you are not able to pay your premium because of extreme financial hardship, you can ask for a review of your premium balance. Send your request for a review in writing to:

Division of Medical Assistance  
Revenue/Member Premium Billing  
600 Washington Street  
Boston, MA 02111.

<b>FULL PREMIUM FORMULA</b>		
<b>Base Premium</b>	<b>Additional Premium Cost</b>	<b>Range of Premium Cost</b>
Above 150% FPL—start at \$15	Add \$5 for each additional 10% FPL until 200% FPL	\$15 — \$35
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Above 1000% FPL—start at \$928	Add \$16 for each additional 10% FPL	\$928 + greater

<b>SUPPLEMENTAL PREMIUM FORMULA</b>	
<b>% of Federal Poverty Level (FPL)</b>	<b>Premium Cost</b>
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Above 200% to 400%	65% of full premium
Above 400% to 600%	70% of full premium
Above 600% to 800%	75% of full premium
Above 800% to 1000%	80% of full premium
Above 1000%	85% of full premium

The federal poverty guidelines are in the MassHealth Member Booklet, and are also on our Web site at [www.mass.gov/dma](http://www.mass.gov/dma).

If you have questions, please call the MassHealth Customer Service Center at 1-800-841-2900 (TTY: 1-800-497-4648 for the deaf and hard of hearing).

**This is an important message about your MassHealth benefits.**

MassHealth is increasing premiums for the MassHealth Family Assistance program. The premiums for this program have not gone up since the program started in 1998. Because of the budget problems facing the state right now, the premiums must be increased at this time.

Starting in March 2003, all families with children in Family Assistance will be charged \$12 per child per month for MassHealth. In most cases, this is an increase of \$2 per child. No family will have to pay more than \$36 per month, no matter how many children are in the family.

For some families, this will be the first time that they will have to pay premiums for their MassHealth coverage. Premiums are a monthly charge for the health care that you get through MassHealth.

You will soon get a notice that tells you what your new monthly premium will be. Your new monthly premium amount will start with your March coverage.

If you do not pay all of your premium within 60 days of the date on your bill, your MassHealth benefits will stop. You may ask for a payment plan by calling the telephone number on your premium bill. If you are not able to pay your premium because of extreme financial hardship, you can ask for a review of your premium balance. Send your request for a review in writing to:

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**This is an important message about your MassHealth benefits.**

Because of the budget problems facing the state right now, MassHealth will begin to charge premiums to certain MassHealth Family Assistance members who do not now pay premiums. Premiums will begin to be charged when a family's monthly income is above 150% of the federal poverty level.

These members will be charged a **full** premium, unless they have private health insurance or Medicare that MassHealth does not help pay for. This means if MassHealth helps to pay for all or a part of your private health insurance, including Medicare, then you must pay the full premium. If MassHealth does not help pay for your private health insurance or Medicare, then you will be charged a **supplemental** premium.

If you have employer-sponsored health insurance that MassHealth helps pay for, your member cost-share will be based on the full premium formula, as described in the chart below. (If your member cost-share is more than the full premium amount, this is because of our cost-effectiveness test, as explained at 130 CMR 506.012.)

Your new premium amount will be based on your family's monthly income, before taxes and deductions, and your family's size as it compares to the federal poverty level. See the new premium charts at the end of this notice.

If you have to pay a premium, you will get a notice in mid February 2003, that tells you what your new monthly premium will be. Your new monthly premium amount will start with your March coverage.

If you do not pay all of your premium within 60 days of the date on your bill, your MassHealth benefits will stop. You may ask for a payment plan by calling the telephone number on your premium bill. If you are not able to pay your premium because of extreme financial hardship, you can ask for a review of your premium balance. Send your request for a review in writing to:

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<b>SUPPLEMENTAL PREMIUM FORMULA</b>	
<b>% of Federal Poverty Level (FPL)</b>	<b>Premium Cost</b>
Above 150% to 200%	60% of full premium



The federal poverty guidelines are in the MassHealth Member Booklet, and are also on our Web site at [www.mass.gov/dma](http://www.mass.gov/dma).

If you have questions, please call the MassHealth Customer Service Center at 1-800-841-2900 (TTY: 1-800-497-4648 for the deaf and hard of hearing).

**This is an important message about your MassHealth benefits.**

You or a member of your family is part of the MassHealth Family Assistance or Insurance Partnership Program. These programs send premium assistance payments to your family or your employer to help pay for your employer-sponsored health insurance. Because of the budget problems facing the state right now, the amount MassHealth pays may decrease.

Right now, you may pay some of the cost of your employer-sponsored health insurance. If you have children, your cost is \$10 per child, up to a maximum of \$30 per family. If you do not have children that are on MassHealth, and your monthly income is above 100% of the federal poverty level, your cost is \$25 per adult. This amount is taken out of your premium assistance check before MassHealth sends it to you or your employer.

Starting in March 2003, your cost will increase to \$12 per child per month, up to a maximum of \$36 per family per month. If you do not have children that get MassHealth coverage, and your monthly income is above 100% of the federal poverty level, your cost will increase to \$27 per adult per month. In March 2003, you will get a notice that tells you what your new monthly premium assistance amount will be. If your share of the cost is more than these amounts, this is because of our cost-effectiveness test, as explained at 130 CMR 506.012.

**If you get a check directly from MassHealth for your private health insurance**, the premium assistance amount you get will be less.

**If MassHealth sends a check directly to your employer for your private health insurance**, the premium assistance amount your employer gets will be less. This means that your employer will change the amount taken out of your paycheck to reflect the increased amount you pay.

The federal poverty guidelines are in the MassHealth Member Booklet, and are also on our Web site at [www.mass.gov/dma](http://www.mass.gov/dma).

If you have questions, please call the MassHealth Customer Service Center at 1-800-841-2900 (TTY: 1-800-497-4648 for the deaf and hard of hearing).